

A Substitute Resolution

BY

02-7-0676

A SUBSTITUTE RESOLUTION AUTHORIZING THE REMBURSEMENT TO THE AVIATION FUND FOR EXPENSES INCURRED ON BEHALF OF THE GENERAL FUND IN THE AMOUNT OT \$690,500 PLUS INTEREST IN THE AMOUNT OF \$86,795 FOR A TOTAL DUE OF \$777,295 AS IDENTIFIED IN INTERNAL AUDIT REPORTS ISSUED IN 2000 AND 2001; AND FOR OTHER PURPOSES.

WHEREAS, in audit reports issued by the City's Internal Audit Division in the years 2000 and 2001, instances were cited of Aviation Funds being expended for General Fund purposes; and

WHEREAS, it is the intent of the Administration to be and remain in compliance with all applicable bond ordinances and The Federal Aviation Administration (FAA) regulations; and

WHEREAS, it is the desire of the City to reimburse the Aviation Fund for these expenditures on behalf of the General Fund.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA, as follows:

Be it resolved that the Mayor is hereby authorized to make payment from the General Fund to Aviation Fund in the amount of \$777,295 as identified in the audit reports issued in the years 2000 and 2001.

Be it further resolved that the said reimbursements shall be charged to and paid from Fund Account Center 1A01 562001 T31001.

Revenue Diversion Audit

	Principle Amount	Interest Period (Days)	Interest Rate	Total Interest Due DOA	Total Reimbursement
Personnel Cost					
Law Department	\$190,000	1,242	4.353%	\$28,536	\$218,536
Personnel Department	46,000	1,242	4.353%	6,909	\$52,909

Sale of Surplus Property <i>(Equipment Transferred)</i>					
Int'l Tandem Dump Truck	28,000	1,092	4.334%	3,681	\$31,681
Case RTL Backhoe	15,000	1,237	4.353%	2,244	\$17,244
Fiat-Allis Front-end Loader	48,000	1,323	4.358%	7,687	\$55,687
Ford Tynco Sweeper (2)	100,000	1,172	4.343%	14,138	\$114,138
Int'l Truck Tractor	50,000	1,272	4.235%	7,483	\$57,483
Wisconsin Lowboy Trailer	35,000	1,272	4.235%	5,238	\$40,238
Cushman Truck	7,000	1,083	4.326%	911	\$7,911
GMC Jimmy Truck	5,000	1,122	4.339%	676	\$5,676
Ford Econoline Van	3,500	1,110	4.334%	468	\$3,968
Grasshooper (6)	24,000	663	3.628%	1,603	\$25,603

Equipment Verification Audit <i>(Equipment Purchases)</i>					
Passenger Bus	84,000	596	3.364%	4,679	\$88,679
Service Truck	55,000	548	3.039%	2,544	\$57,544

Totals	\$690,500			\$86,795	\$777,295
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CITY OF ATLANTA

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AUDIT COMMITTEE

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MAYOR SHIRLEY FRANKLIN
COUNCIL PRESIDENT CATHY WOOLARD

May 29, 2002

MEMORANDUM

To: Rick Anderson, Interim Chief Financial Officer

From: Leslie Ward *lw*

Re: Interest Calculation Dates for Repayment of Airport Revenue

At your staff's request, this memo includes the dates/time period for which internal audit reports documented diversion of airport revenue through inappropriate use of airport-funded staff or equipment. For personnel costs, the audit work covered the period from January 1, 1999 through December 31, 1999. For equipment transfers and purchases, the audit work established the dates of these transactions, the estimated value of transferred equipment, and the purchase prices of new equipment. The dates on which interest calculation should begin for repayment to the Aviation Fund are as follows:

Revenue Diversion Audit

<u>Personnel Cost</u>	<u>Amount</u>	<u>Interest Calculation Begins</u>
Law Department	\$190,000.00	January 1, 1999
Personnel Department	46,000.00	January 1, 1999

Sale of Surplus Property Audit

Transferred Equipment

International Tandem Dump Truck	\$28,000.00	May 12, 1999
Case RTL Backhoe	15,000.00	January 6, 1999
Fiat-Allis Front-end Loader	48,000.00	October 9, 1998
Ford Tymco Sweeper (2)	100,000.00	March 10, 1999
International Truck Tractor	50,000.00	November 29, 1999

Transferred Equipment**Amount****Interest Calculation Begins**

Wisconsin Lowboy Trailer	\$35,000.00
Cushman Truck	7,000.00
GMC Jimmy Truck	5,000.00
Ford Econoline Van	3,500.00
Grasshopper (6)	24,000.00

November 29, 1999
June 9, 1999
April 20, 1999
May 12, 1999
August 9, 2000

Equipment Verification Audit**Equipment purchases.**

Passenger Bus	\$84,000.00
Service Truck	55,000.00

October 17, 2000
December 4, 2000